



ENERGY

DECISION AND ORDER
APPROVING THE PASS-
THROUGH OF FERC
FIRM TRANSMISSION
SERVICE RELATED
CHARGES

BPU DOCKET NO. ER09060464

BY THE BOARD:

The Company's proposed tariffs reflect changes to the Basic Generation Service- Fixed Price ("BGS-FP") and BGS-Commercial and Industrial Pricing ("BGS-CIEP") rates to customers resulting from changes in the PJM Open Access Transmission Tariff ("OATT") made in response to an updated formula rate filing made by PPL Electric Utilities Corporation in FERC Docket No. ER08-1457; a revised formula rate filing made by American Electric Power Service Corporation in FERC Docket No. ER08-1329; a revised formula rate filing made by Trans-Allegheny Interstate Line Company ("TrAILCo") in FERC Docket No. ER07-562; revised formula rate filing made by Delmarva Power and Light Company ("Delmarva") in FERC Docket No. ER09-1158; and a revised formula rate filing made by Potomac Electric Power Company ("PEPCo") in FERC Docket No. ER09-1159; and ACE's revised formula rate filing in FERC Docket No. ER09-1156. The modified rate filing made by PEPCo Holdings Inc.'s ("PHI") three public utility affiliates (Delmarva, PEPCo, and ACE) were made with respect to the Mid Atlantic Power Pathway ("MAPP") project. The net effect of all changes is a decrease in firm transmission service related charges. The Company requested that the changes become effective on July 1, 2009.

ACE also requested that the BGS suppliers be compensated for the changes resulting from the implementation of these updates to formula rates effective June 1, 2009, subject to the terms and conditions of the applicable Supplier Master Agreement(s) ("SMAs"). Any differences between payments to BGS Suppliers and charges to customers would flow through the BGS Reconciliation Charges.

The Company stated that this filing satisfies the requirements of paragraph 15.9(a) (i) and (ii) of the BGS-FP and BGS-CIEP SMAs, which mandate that BGS-FP and BGS-CIEP suppliers be notified of rate increases and decreases for firm transmission service, and that the electric distribution companies ("EDCs") file for and obtain Board approval of an increase or decrease in retail rates commensurate with the FERC-implemented rate changes.

The specific Schedule 12 charges, referred to as Transmission Enhancement Charges ("TECs"), were implemented to compensate transmission owners for the annual transmission revenue requirements for "Required Transmission Enhancements" (as defined in the PJM OATT) that are requested by PJM for reliability or economic purposes. The costs of TECs are recovered by PJM according to an assigned cost responsibility through an additional transmission charge assessed in the affected transmission zones.

Based on the allocation of the TEC charges and the update of the Company's formula transmission rates, among the service classes in accordance with ACE's tariff, a typical residential customer using 750 kWh per month will see a decrease in their annual bill of approximately \$0.04.

DISCUSSION AND FINDINGS

In the Board's Order dated December 2, 2003, in Docket No. EO03050394, the Board found that the pass through of any changes in the network integration transmission charge, and other charges associated with the FERC-approved OATT is appropriate. Furthermore, by subsequent Orders, the Board approved Section 15.9 of the SMAs as filed by the EDCs which requires that the EDCs file for Board approval of any increases or decreases in their transmission charges that have been approved by the FERC. The SMAs also authorize the EDCs to increase or decrease the rates paid to suppliers for FERC-approved rates and changes to Firm Transmission Services once approved by the Board. The Board Orders further required that the EDCs review and verify the requested FERC authorized changes.

After review of the verifications and supporting documentation, the Board **HEREBY FINDS** that the June 15 filing satisfies ACE's obligations under paragraph 15.9 (a)(i) and (ii) of the relevant SMA, and **HEREBY APPROVES** the net decrease to the Company's retail transmission rates and BGS-FP and BGS-CIEP rates requested by ACE for its changes in transmission charges resulting from the FERC-approved changes effective for service on or after October 1, 2009. ACE is **HEREBY ORDERED** to compensate the BGS suppliers for this transmission rate increase subject to the terms and conditions of the SMAs.

Further, the Board **HEREBY DIRECTS** ACE to file tariffs and rates consistent with the Board's findings within five (5) business days of the date of this Board Order.

DATED: 9/16/09

BOARD OF PUBLIC UTILITIES
BY:




JEANNE M. FOX
PRESIDENT



FREDERICK F. BUTLER
COMMISSIONER



JOSEPH L. FIORDALISO
COMMISSIONER

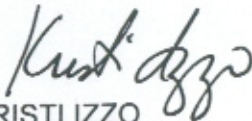


NICHOLAS ASSELTA
COMMISSIONER



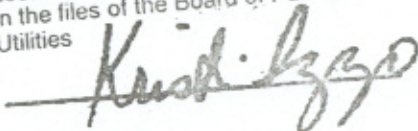
ELIZABETH RANDALL
COMMISSIONER

ATTEST:



KRISTI IZZO
SECRETARY

I HEREBY CERTIFY that the within
document is a true copy of the original
in the files of the Board of Public
Utilities



I/M/O the Petition of Atlantic City Electric Company ("ACE") for Approval to
Implement FERC-Approved Changes to ACE's Retail Transmission (Formula) Rate
Pursuant to Paragraphs 15.9 of the BGS-FP and BGS-CIEP Supplier Master Agreements
and Tariff Filing Reflecting Changes to Schedule 12 Charges in PJM Open Access Transmission Tariff
BPU Docket No. ER09060464

Service List

BPU STAFF

Kristi Izzo
Secretary of the Board
State of New Jersey
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102
(973) 648-3426 – Telephone
(973) 638-2409 – Facsimile
kristi.izzo@bpu.state.nj.us

Mark C. Beyer
Chief Economist
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102
(973) 648-3414 – Telephone
(973) 648-4410 – Facsimile
mark.beyer@bpu.state.nj.us

John Garvey
Office of the Economist
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102
(973) 648-6123 – Telephone
(973) 648-4410 – Facsimile
john.garvey@bpu.state.nj.us

Jerome May
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102
(973) 648-4950 – Telephone
(973) 648-2467 – Facsimile
jerome.may@bpu.state.nj.us

Frank Perrotti
Division of Energy
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102
(973) 648-7290 – Telephone
(973) 648-2467 – Facsimile
frank.perrotti@bpu.state.nj.us

Stacy Peterson
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102
(973) 648-2143 – Telephone
stacy.peterson@bpu.state.nj.us

Samuel Wolfe, Esquire
Chief Counsel
Board of Public Utilities
Office of the Economist
Two Gateway Center
Newark, NJ 07102
(973) 648-2016 – Telephone
(973) 648-2209 – Facsimile
samuel.wolfe@bpu.state.nj.us

DAG

Kenneth J. Sheehan, Esquire
Deputy Attorney General
Department of Law & Public Safety
Division of Law
124 Halsey Street, 5th Floor
PO Box 45029
Newark, NJ 07101
(973) 648-3709 – Telephone
(973) 648-3555 – Facsimile
kenneth.sheehan@dol.lps.state.nj.us

Babette Tenzer, Esquire
Deputy Attorney General
Department of Law & Public Safety
Division of Law
124 Halsey Street
P.O. Box 45029
Newark, NJ 07101
(973) 648-3441 – Telephone
(973) 648-3555 – Facsimile
babette.tenzer@dol.lps.state.nj.us

RATEPAYER ADVOCATE

Stefanie A. Brand, Esquire
Director
Department of the Public Advocate
Division of Rate Counsel
31 Clinton Street - 11th Floor
P.O. Box 46005
Newark, NJ 07101
(973) 648-2690 – Telephone
(973) 624-1047 – Facsimile
sbrand@rpa.state.nj.us

Paul Flanagan, Esquire
Litigation Manager
Department of the Public Advocate
Division of Rate Counsel
31 Clinton Street - 11th Floor
P.O. Box 46005
Newark, NJ 07101
(973) 648-2690 – Telephone
(973) 624-1047 – Facsimile
pflanagan@rpa.state.nj.us

Ami Morita, Esquire
Department of the Public Advocate
Division of Rate Counsel
31 Clinton Street - 11th Floor
P.O. Box 46005
Newark, NJ 07101
(973) 648-2690 – Telephone
(973) 624-1047 – Facsimile
amorita@rpa.state.nj.us

Diane Schulze, Esquire
Division of Ratepayer Advocate
31 Clinton Street, 11th Floor
P.O. Box 46005
Newark, NJ 07102
(973) 648-2690 – Telephone
(973) 648-2193 – Facsimile
dschulze@rpa.state.nj.us

**RATEPAYER ADVOCATE
CONSULTANTS**

Robert Fagan
Synapse Energy Economics, Inc.
22 Pearl Street
Cambridge, MA 02139
rfagan@synapse-energy.com

ACE

Philip J. Passanante, Esquire
Atlantic City Electric Company
89KS42
800 King Street 5th Floor
P.O. Box 231
Wilmington, DE 19899
(302) 429-3105 – Telephone
(302) 429-3801 – Facsimile
philip.passanante@pepcoholdings.com

Gregory R. Marquis
EP6412
Bulk Power Supply Management
Pepco Holdings, Inc.
701 Ninth Street, NW
Washington, DC 20068-0001
(202) 872-2297 – Telephone
grmarquis@pepco.com

Joseph F. Janocha
63ML38
Atlantic City Electric Company
5100 Harding Highway
Mays Landing, NJ 08330
(609) 625 5868 – Telephone
(609) 625 5838 – Facsimile
joseph.janocha@pepcoholdings.com

Peter E. Schaub
EP6412
Pepco Holdings, Inc.
701 Ninth Street, NW
Washington, DC 20068-0001
(202) 872-3044 – Telephone
peschaub@pepco.com

JCP&L

Sally J. Cheong
Tariff Activity, Rates NJ
JCP&L
300 Madison Avenue
P.O. Box 1911
Morristown, NJ 07962-1911
(973) 401-8699 – Telephone
(973) 644-4243 – Facsimile
scheong@firstenergycorp.com

Marc B. Lasky, Esquire
Morgan Lewis & Bockius LLP
Suite 1435
89 Headquarters Plaza North
Morristown, NJ 07960
(973) 993-3133 – Telephone
(973) 887-432-9652
mlasky@morganlewis.com

Kevin Connelly
First Energy
300 Madison Avenue
P.O. Box 1911
Morristown, NJ 07962-1911
(973) 401-8708 – Telephone
(973) 644-4243 – Facsimile
kconnelly@firstenergycorp.com

Larry Sweeney
JCP&L
300 Madison Avenue
P.O. Box 1911
Morristown, NJ 07962-1911
(973) 401-8697 – Telephone
(973) 644-4157 – Facsimile
lsweeney@gpu.com

PSE&G

Frances I. Sundheim, Esquire
Public Service Electric & Gas Co.
80 Park Plaza, T-08
Newark, NJ 07101
(973) 430-6928 – Telephone
(973) 648-0838 – Facsimile
frances.sundheim@pseg.com

Anthony Robinson
Public Service Electric & Gas Co.
80 Park Plaza, T-08
Newark, NJ 07101
anthony.robinson@pseg.com

ROCKLAND

John L. Carley, Esquire
Consolidated Edison Co. of NY, Inc.
Law Department, Room 1815-S
4 Irving Place
New York, NY 10003
(212) 460-2097 – Telephone
(212) 677-5850 – Facsimile
carleyj@coned.com

MARKETERS

Steven Gabel
Gabel Associates
417 Denison Street
Highland Park, NJ 08904
(732) 296-0770 – Telephone
(732) 296-0799 – Facsimile
steven@babelassociates.com

SUPPLIERS

Lisa A. Balder
NRG Power Marketing, Inc.
Contract Administration
211 Carnegie Center
Princeton, NJ 08540
(609) 524-4543 – Telephone
(609) 524-4540 – Facsimile
lisa.balder@nrgenergy.com

Frank Cernosek
Reliant Energy
REP 11-235
1000 Main Street
Houston, TX 77002
(713) 497-4266 – Telephone
(713) 497-9975 – Facsimile
fcernosek@reliant.com

Legal Department
Derivatives Pr Group
270 Park Avenue, 41st Floor
New York, NY 10017-2070
(212) 270-3625 – Facsimile

Commodity Confirmations
J.P. Morgan Ventures Energy Corp.
1 Chase Manhattan Plaza, 14th Floor
New York, NY 10005
(212) 552-1500 – Telephone
(212) 383-6600 – Facsimile
na.energy.confirmations@jpmc.com

Manager Contracts Administration
Sempra Energy Trading Corp.
58 Commerce Road
Stamford, CT 06902
(203) 355-5410 – Facsimile

Raymond DePillo
PSEG Power
80 Park Plaza, T19
Newark, NJ 07101
(973) 430-8866 – Telephone

Sylvia Dooley
Consolidated Edison Company of NY
4 Irving Place, Room 1810-S
New York, NY 10003
(212) 460-3192 – Telephone
(212) 260-8627 – Facsimile
dooleys@coned.com

Consolidated Edison Energy, Inc.
VP Trading
Suite 201 West
701 Westchester Avenue
White Plains, NY 10604
(914) 993-2110 – Telephone
(914) 993-2150 – Facsimile

Gary Ferenz
Conectiv Energy Supply, Inc.
500 North Wakefield Drive
P.O. Box 6066
Newark, DE 19714-6066
(302) 451-5225 – Telephone
(302) 451-5266 – Facsimile
gary.ferenz@Conectiv.com

Daniel E. Freeman
Contract Services – Power
BP Energy Company
WL1-4.300B
501 West Lake Park Boulevard
Houston, TX 77079
(281) 366-4489 – Telephone
(281) 366-6335 – Facsimile
freede@bp.com

Michael S. Freeman
Exelon Generation Company, LLC
300 Exelon Way
Kennett Square, PA 19348
(610) 765-6655 – Telephone
(610) 765-7655 – Facsimile
mfreeman@pwrteam.com

Marjorie Garbini
Conectiv Energy Supply, Inc.
500 North Wakefield Drive
P.O. Box 6066
Newark, DE 19714-6066
(302) 451-5429 – Telephone
(302) 451-5262 – Facsimile
marj.garbini@Conectiv.com

Mario Giovannini
Manager, Operations & Credit
Conectiv Energy Supply, Inc.
500 North Wakefield Drive
P.O. Box 6066
Newark, DE 19714-6066
(302) 451-5324 – Telephone
(302) 451-5261 – Facsimile
mario.giovannini@Conectiv.com

Contracts/Legal Department
NextEra Energy Power Marketing
700 Universe Boulevard
Juno Beach, FL 33408

Brent Hendry
NextEra Energy Power Marketing
Building E, 2nd Floor
700 Universe Boulevard
Juno Beach, FL 33408
brent_hendry@fpl.com

Hemant Jain
Hess Corporation
One Hess Plaza, WB12
Woodbridge, NJ 07095
hjain@hess.com

Kevin Laguardia
Hess Corporation
One Hess Plaza, WB12
Woodbridge, NJ 07095
klaguardia@hess.com

Arland H. Gifford
DTE Energy Trading
414 South Main Street, Suite 200
Ann Arbor, MI 48104
(734) 887-2050 – Telephone
(734) 887-2092 – Facsimile
gifforda@dteenergy.com

Deborah Hart
Vice President
Morgan Stanley Capital Group
Trading Floor
2000 West Chester Avenue
Purchase, NY 10577
(914) 225-1430 – Telephone
(914) 225-9297 – Facsimile
deborah.hart@morganstanley.com

Brent Hendry
Legal Department
FPL Energy Power Marketing, Inc.
Building E, 4th Floor
700 Universe Boulevard
Juno Beach, FL 33408
(561) 304-5276 – Telephone
(561) 625-7504 – Facsimile
brent_hendry@fpl.com

Marcia Hissong
Director, Contract Administration
DTE Energy Trading
414 South Main Street, Suite 200
Ann Arbor, MI 48104
(734) 887-2042 – Telephone
(734) 887-2235 – Facsimile
hissongm@dteenergy.com

Eric W. Hurlocker
PPL EnergyPlus LLC
Two N. Ninth Street
Allentown, PA 18101
ewhurlocker@pplweb.com

Anne Fiore
Contract Administration
PPL EnergyPlus LLC
Two N. Ninth Street
Allentown, PA 18101
awifore@pplweb.com

Gary A. Jeffries
Senior Counsel
Dominion Retail, Inc.
1201 Pitt Street
Pittsburgh, PA 15221
(412) 473-4129 – Telephone
(412) 473-4170 – Facsimile
gjeffries@dom.com

Shiran Kochavi
NRG Energy
211 Carnegie Center
Princeton, NJ 08540
(609) 524-4604 – Telephone
(609) 524-4589 – Facsimile
shiran.kochavi@nrgenergy.com

Contracts/Legal Department
FPL Energy Power Marketing, Inc.
700 Universe Boulevard, CTR/JB
Juno Beach, FL 33408
(561) 625-7504 – Facsimile

Shawn P. Leyden (BGS), Esquire
PSEG Energy Resources & Trade
80 Park Plaza, T-19
P.O. Box 570
Newark, NJ 07101
(973) 430-7698 – Telephone
(973) 643-8385 – Facsimile
shawn.leyden@pseg.com

Robert Vinegra
Manager Energy Contracts
PSEG Energy Resources & Trade
80 Park Plaza, T-19
P.O. Box 570
Newark, NJ 07101
robert.vinegra@pseg.com

Legal Department
FPL Energy Marketing, Inc.
700 Universe Boulevard, CTR/JB
Juno Beach, FL 33408
(734) 887-2235 – Facsimile

Robert Mennella
Consolidated Edison Energy Inc.
Suite 201 West
701 Westchester Avenue
White Plains, NY 10604
(914) 993-2170 – Telephone
(914) 993-2111 – Facsimile
mennellar@concedenergy.com

Randall D. Osteen, Esquire
Vice President – Counsel
Constellation Energy Commodities
Group, Inc.
111 Market Place, Suite 500
Baltimore, MD 21202
(410) 468-3493 – Telephone
(410) 468-3499 – Facsimile
randall.osteen@constellation.com

Stuart Rubenstein
Chief Operation Officer
Constellation Energy Commodities
Group, Inc.
111 Market Place, Suite 500
Baltimore, MD 21202
stuart.rubenstein@constellation.com

Elizabeth A. Sager
VP – Assistant General Counsel
J.P. Morgan Chase Bank, N.A.
270 Park Avenue, Floor 41
New York, NY 10017-2014
(212) 270-3634 – Telephone
(212) 270-3621 – Facsimile
elizabeth.a.sager@jpmchase.com

Ken Salamone
Sempra Energy Trading Corp.
58 Commerce Road
Stamford, CT 06902
(203) 355-5510 – Telephone
(203) 355-5410 – Facsimile

Steve Sheppard
DTE Energy Trading
414 S. Main Street, Suite 200
Ann Arbor, MI 48104
(734) 887-2126 – Telephone
(734) 887-2104 – Facsimile
sheppards@dteenergy.com

Noel H. Trask
Exelon Generation Company, LLC
300 Exelon Way
Kennett Square, PA 19348
(610) 765-6649 – Telephone
(610) 765-7649 – Facsimile
ntrask@pwrteam.com

Robert Viola
Edison Mission Marketing
160 Federal Street, 4th Floor
Boston, MA 02110
(617) 912-6256 – Telephone
(617) 912-6003 – Facsimile
rviola@edisonmission.com

Jessica Wang
FPL Energy Power Marketing, Inc.
Building E, 4th Floor
700 Universe Boulevard
Juno Beach, FL 33408
(561) 304-6124 – Telephone
(561) 625-7519 – Facsimile
jessica.wang@fpl.com

Jessica Wang
NextEra Energy Power Marketing
Building E, 4th Floor
700 Universe Boulevard
Juno Beach, FL 33408
(561) 304-6124 – Telephone
(561) 625-7519 – Facsimile
jessica.wang@fpl.com

Matt Webb
BP Energy Company
501 West Lake Park Boulevard
Houston, TX 77079
(281) 36-4417 – Telephone
(281) 36-7909
webbmd2@bp.com

Edward Zabrocki
Morgan Stanley Capital Group, Inc.
1585 Broadway, 4th Floor
New York, NY 10036
(914) 225-5544 – Telephone
(212) 507-4622 – Facsimile
edward.zabrocki@morganstanley.com